

H.R. 4319 Mark-up Statement
Subcommittee on Africa, Global Human Rights
And International Operations
By Chairman Chris Smith
June 22, 2006

Two weeks ago, this Subcommittee held a hearing on removing obstacles to small and medium enterprises in Africa. That hearing was a prelude to our consideration of H.R. 4319 – the Assistance for Small and Medium Enterprises in Sub-Saharan African Countries Act.

I'd like to thank Mr. Lantos, the ranking member of our Committee, for his cooperative efforts in working with me to craft this legislation to meet a need that our hearing confirmed. While the African Growth and Opportunity Act, or AGOA, was intended to build business linkages between African and American entrepreneurs, too often these linkages have involved the oil trade rather than small and medium enterprises. As we all know, it is small business that creates jobs, and the lack of small and medium enterprise participation in AGOA limits the benefits we had hoped such businesses would realize.

In the hearing, we heard witnesses tell us that too many obstacles interfered with the ability of small and medium enterprises to take advantage of the opportunities offered by AGOA. One of the main problems is the lack of attention to U.S.-African agriculture trade. Seventy percent of Africans are engaged in agriculture, and if our trade programs have any hope of reducing poverty, we must help small and medium business in the agriculture sector. H.R. 4319 does that.

To that end, H.R. 4319 also empowers the Food and Drug Administration to provide technical assistance to African farmers

to ensure that their exports meet American requirements and calls on the Department of Agriculture to help improve market access for U.S. agricultural products in Africa countries.

However, H.R. 4319 does not neglect small and medium enterprises outside the agriculture sector. It calls on the Small Business Administration to convey basic information on selling goods in foreign markets.

A very important aspect of this legislation is that H.R. 4319 protects the rights of workers and encourages productive labor-management relations so that increased U.S.-Africa trade is not plagued by workers laboring in unsafe conditions.

Provisions of this bill have long been championed by members of the Subcommittee, such as Mr. Royce and Mr. Payne, but were stripped from the last AGOA bill. We believe the reinsertion of these provisions in legislation will enable all our trade preference programs to be more effective in broadening the benefits to small and medium enterprises.

I ask my colleagues to give favorable consideration to H.R. 4319, which is a very timely and useful effort to make U.S.-Africa trade as effective as it was intended to be.